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SUBJECT: GUATEMALAN LABOR UNION AND HUMAN RIGHTS LEADERS
HIGHLIGHT CONCERNS IN QUETZALTENANGO

REF: A. 06 GUATEMALA 2011
[¶](#)B. 06 GUATEMALA 2473

Classified By: Amb. Derham for reasons 1.4(b), (d)

[¶](#)1. (U) Summary: During a recent outreach visit by embassy officials to Quetzaltenango in western Guatemala, representatives of the local Chamber of Commerce, a Catholic bishop, labor union leaders, and human rights activists described the current situation of human rights and labor conditions. They discussed security concerns, the persistent lack of resources, the existence of corruption among labor inspectors and other public officials, the non-application of laws, and lack of an enforcement mechanism to ensure compliance with the Labor Code, including payment of minimum wage. There was general agreement that labor conditions and human rights had improved markedly since the end of the conflict, but that wages remain too low and enforcement of labor laws is weak. End summary.

[¶](#)2. (C) Poloff met January 9-10 with the Quetzaltenango Chamber of Commerce, Bishop Victor Hugo Martinez, leaders of the Guatemala Health Union's Western Region Hospital Branch and the Municipal Workers Union, and human rights activists Rudy Castillo and Carlos Aragon to discuss labor conditions and human rights in Quetzaltenango, the largest and most important indigenous city, 200 km west of the capital.

[¶](#)3. (U) Representatives of the Chamber of Commerce stressed the importance of the rule of law for economic development and stability. They asserted that while each political party has its own political vision for the future of the country, the parties need to work closely together to strengthen judicial institutions to end the culture of impunity. They noted that security will be one of the key issues in this year's presidential elections, but health and education will also be important issues for voters. Last year, all parties with congressional representation signed the "Plan Vision del Pais" (ref A) that outlined Guatemala's long-term goals in the areas of health/nutrition, education, rural development, and security/justice.

[¶](#)4. (C) Catholic Bishop Victor Hugo Martinez told emboffs that he recently disbanded a church-affiliated human rights group, Justicia Solidaridad, after being criticized for its administrative problems. The group, which he coordinated, was created a year ago with funds from the European Union, but only 20 percent of the funds were being used to investigate and report on human rights abuses, while 80 percent was going toward salaries. He expressed disappointment in the group, attributing its problems to lack of organization and lack of oversight by contractors who

sub-contracted most of the work.

¶ 15. (C) Rudy Castillo of the Quetzaltenango Human Rights Ombudsman's Office (PDH) said that the region is faced with numerous challenges, most notably the lack of basic services, such as electricity, and the existence of corruption and bribery at all levels of government. He also noted the problem of corruption among labor inspectors, who accept bribes from management to say nothing, and the common practice of business owners shutting down their businesses only to reopen a few weeks or months later with new non-union workers. Comparing the past with the present, he observed that there are not as many unions now as before and that threats against union leaders and members have decreased in recent years. Unions are now viewed as more credible organizations, and more people are filing complaints. There is more emphasis on human rights, more activism, and less intimidation. People are less afraid to call his office with complaints. In 2006, his office received approximately 1,000 complaints, in comparison to 500 in 2005, which he believed reflects greater public confidence in Guatemala's institutions. He did not have a breakdown on the types of complaints filed with his office, nor could he cite a single case where a PDH investigation had led to a successful prosecution. While he noted that some citizens remain fearful, their level of fear is less than in previous years, and most of the accusations are no longer anonymous.

¶ 16. (C) He estimated that about 15-20 small unions, representing various industry sectors, remain active in the Quetzaltenango region and said that most of the labor problems occur in the private sector. Although the rights of union members are legally protected, many fear losing their jobs if they complain, and although there is a law protecting pregnant women in the workplace, the law is not enforced in many cases.

¶ 17. (C) Carlos Aragon, responsible for judicial matters for the Diocese of Quetzaltenango discussed problems facing the coffee industry. He said that when coffee prices dropped dramatically in 1996, there were very few unions. Coffee workers, 80 percent of whom were "trabajadores colonos" (workers who depend on the farms where they live for their livelihood), lost their jobs and had no place to live. Many migrated to the capital and other urban areas. Today, coffee plantation owners prefer to hire temporary workers because they do not want to pay the mandatory bonuses and benefits to permanent workers. He said that while the minimum wage in 2006 was 42.46 (USD 5.58) per day in the agricultural sector and Q43.64 (USD 5.73) per day in the non-agricultural sector, plantation owners generally paid male workers Q25-30 (USD 3.29 - 3.94) per day and female workers Q20-25 (USD 2.63 - 3.29) per day despite their comparable work and qualifications.

¶ 18. (C) Aragon said that the government does not have a sufficient budget to ensure verification of payment of the minimum wage. There are only three inspectors for eight municipalities and, according to Aragon, they do not always comply with their obligations. While fines of Q2,000 - 4,000 (USD 263 - 526) have been imposed on farm owners for violations of the Labor Code, there is no enforcement mechanism to obligate owners to pay the fine. Aragon also observed that it is almost impossible for workers to obtain justice because the process is very lengthy and costly. He cited one example of a labor case involving a coffee plantation that is still pending in a labor court after 10 years, leaving the workers in a state of resignation with no other recourse.

¶ 19. (C) Leaders of the Municipal Workers Union and the Western Region Hospital Branch of the Guatemala Health Union, the two most active of the more than 40 workers unions in Quetzaltenango, discussed the situation of labor rights. During Guatemala's 1960-96 internal conflict, they were persecuted, subject to threats and kidnappings, and regarded as revolutionaries, and many leaders disappeared while others

sought asylum in the U.S. While the situation has improved over the past decade with the signing of the Peace Accords and the end of the conflict, they continue to face challenges. General Secretary of the Municipal Workers Union, Raul Lavarreda, who represents the 800-member union, described relations between management and the union as generally good, but noted that conflicts arise. He noted that one of the major difficulties faced by municipal workers is the high cost of living. He estimated that a small plot of land costs USD 20,000 and that the working class cannot afford to buy a house. Even renting a house is costly, with typically 50 percent of one's salary going toward rent.

¶10. (C) Efforts to increase wages and improve their standard of living have been a priority for labor unions in recent years. The government's announcement in December of an increase of 5 percent in the minimum wage, which will take effect this month, will have little impact on the working class. According to Lavarreda, an estimated 60 percent of the workers in Quetzaltenango are paid less than minimum wage, yet there has been no enforcement of the law and the price of basic food items, such as tomatoes and bread, has been increasing quicker than the small increment in the minimum wage. On average, municipal workers earn Q1,000 (approx. USD 133) per month, an increase of only 2 percent over the past five years, from Q800 (USD 107) per month in ¶2000. While he noted that agricultural workers, 90 percent of whom live off the land where they work, are slightly better off economically than municipal workers because they live where they work and have access to corn and other farm products, most do not have any form of transport, except bicycles, and most have only a sixth grade level of education. He estimated that approximately 650 field workers and 350 office workers work for the municipality.

¶11. (C) Flor de Maria Luna, Secretary of the Western Region Hospital Branch, Guatemala Health Union, which represents 22,000 workers at the national level and 280 local members, said that outsourcing of some health services has added to the problems affecting health care workers. Contractors face discrimination, instability, and lack of vacations, health benefits, and other benefits provided to non-contract employees. Companies often hire contractors for only three months to avoid the possibility of union formation. In many

cases, the term of the contract is not specified, and the contract is cancelled without notice once the work is completed. She complained that health care workers, like other workers, pay mandatory monthly salary deductions for social security, health, disability, and accident insurance, but often do not receive the benefits they need in time because it takes months for the government to process paperwork.

¶12. (C) She described the public health system as in a "state of collapse" and underscored the need to improve public health by strengthening institutions and services. The problem, as elsewhere in Guatemala, is corruption and lack of capacity. She indicated that while the union has a collective bargaining agreement, only 60 percent of their demands have been met thus far due to lack of resources, including lack of equipment to protect health care cleaners who are routinely exposed to contamination and long-term health risks and lack of labor inspectors (only 6 for the entire Quetzaltenango region), and corruption among inspectors.

¶13. (U) Comment: This outreach visit was part of ongoing efforts by the embassy to reach indigenous communities throughout Guatemala. While labor conditions and human rights have improved significantly in recent years with legal reforms and an increasingly vocal human rights community, enforcement of labor laws and respect for rule of law remain problematic, reflecting the larger, systemic failure of weak government institutions.
Derham